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For Teachers' Retirement System (TRS) Plan 2 and Plan 3 Members

Teachers' Retirement Public Education Experience Cost Estimate Worksheet

This worksheet can assist you in estimating your cost to purchase teachers' retirement public education experience service credit. To guide you in completing this worksheet, the right-hand column shows sample calculations for each step. Please keep in mind that the results from this worksheet are only estimates and are based on estimated salary and a single actuarial factor. The factor is based on how far the member is from an unreduced retirement allowance at the time of purchase. Your actual estimate from the Department of Retirement Systems (DRS) may differ. For more information, contact DRS at the number listed above.

	You	Sample
Step 1: Estimate your annual average final compensation (AFC) at the time of purchase. Annual AFC is your highest average earnings over a five year period at the time of purchase. 1. Estimated annual AFC at time of purchase:		46,000
Step 2: Determine the years of service credit you have available to purchase. 2. Months of service credit to purchase \div 12 = Years:		$60 \div 12 = 5$
Step 3: Determine your actuarial factor from the table provided on the next page. Determine the number of years between your age at time of purchase and age 65 (age for an unreduced retirement allowance). 3a. $65 - \text{your age}$: To find your factor, use the number from 3a on the table provided. 3b. Factor (from the table on next page):		Sample age is 55 $65 - 55 = 10$ 0.1765
Step 4: Compute your estimated cost. Annual AFC (from Step 1) x Service Credit Being Purchased (from Step 2) x Factor (from Step 3) = Cost 4. Use the following formula to determine your estimated cost:		$46,000 \times 5 \times 0.1765 = \$40,595$
Estimated Total Cost of Purchase:		\$40,595

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Years to unreduced retirement allowance	Factor for TRS 2 and TRS 3
0	0.2454
1	0.2374
2	0.2297
3	0.2223
4	0.2151
5	0.2081
6	0.2014
7	0.1949
8	0.1885
9	0.1824
10	0.1765
11	0.1708
12	0.1653
13	0.1599
14	0.1547
15	0.1497
16	0.1449
17	0.1402
18	0.1356
19	0.1312
20	0.1270
21	0.1229
22	0.1189
23	0.1150
24	0.1113
25	0.1077
26	0.1042
27	0.1008
28	0.0976
29	0.0944
30	0.0913